

If, however, any additional extension fees are required, I authorize the Commissioner to charge these fees which may be required to IBM Corporation Deposit Account No. 09-0447.

In response to the office action dated 06/06/2001, please consider the following amendments and arguments in support of patentability:

IN THE SPECIFICATION:

Please amend the specification to read as follows:

At page 24, replace the paragraph of lines 15-31 with the following paragraph:

-- Although it is assumed that both the merchant and the consumer act honorably and reasonably during the history of any and all purchase transactions, situations may arise in which a safe card does not properly reflect what is stored in the merchant server or what is remembered by either the merchant or the consumer. To prevent these circumstances, an audit trail or transaction log may be stored simultaneously on the merchant server and on the safe card. When the transaction logs fail to match, the burden of correcting any discrepancies may be placed on the merchant because the merchant has the opportunity to encrypt the information on the safe card to prevent tampering with the information on the safe card. The storage of information on the safe card and on the merchant server is also under the control of the merchant, making it rather difficult for the consumer to create false records.

IN THE CLAIMS:

Please amend the claims to read as follows:

1. (Amended) A method for conducting a commercial transaction in a distributed data processing system, the method comprising the steps of:
- recording an electronic receipt on a removable storage medium at a first data processing terminal, the electronic receipt comprising data concerning a commercial transaction;
 - receiving the removable storage medium at a second data processing terminal at a different time or location;
 - validating the electronic receipt stored on the removable storage medium at the